

**SPEECH BY
YAB DATO' SERI ABDULLAH BIN HAJI AHMAD BADAWI
AT THE OFFICIAL DINNER IN HONOUR OF H.E. BOUASONE BOUPHAVANH
PRIME MINISTER OF THE LAO PEOPLE'S DEMOCRATIC REPUBLIC
AT HOTEL MUTIARA CROWNE PLAZA, KUALA LUMPUR
10 NOVEMBER 2006**

His Excellency Bouasone Boupnavanh,
Prime Minister of the Lao People's Democratic Republic,

Honourable Ministers and Delegates,

Excellencies,

Distinguished Guests,

Ladies and Gentlemen.

On behalf of the Government and people of Malaysia, I bid a warm welcome to Malaysia to His Excellency Bouasone Boupnavanh, Prime Minister of the Lao People's Democratic Republic and members of his delegation. Your Excellency, I do hope that you and members of your delegation will have an enjoyable and pleasant stay during your brief visit in our country.

2. Malaysia and the Lao P.D.R have always enjoyed close relations. I am very pleased to note that the bilateral relations and cooperation between our two countries have indeed deepened and expanded over the years. The 40th anniversary of the establishment of diplomatic relations between our two countries fell on the 1st of July this year. I firmly believe that the warm friendship and close cooperation which have been fostered between our two countries over the last 40 years have contributed in many ways to the socio-economic development of our respective countries. I am confident that the bilateral relations will continue to strengthen and flourish in the years ahead.

3. I recall that during my visit to the Lao P.D.R in February 2004, our two sides discussed a wide range of bilateral, regional and international issues of common concern. We agreed then to broaden the scope of our bilateral cooperation in various fields. I am happy that our discussions today on various issues of common interest to our countries have in fact been very productive. I am deeply impressed with the commitment and determination of the Lao P.D.R to intensify the bilateral relations and cooperation with Malaysia. Let me assure you, Mr. Prime Minister, that Malaysia will keenly reciprocate the sentiments with equal commitment and determination.

4. For instance, I agree entirely that there is a need to convene the Third Meeting of the Joint Commission between Malaysia and the Lao P.D.R. I hope our officials will undertake the necessary steps as soon as possible. I am confident that the J.C.M will help to further consolidate the existing close cooperation that our two countries have in the areas of trade, investment, agriculture, finance and tourism. I am confident that such a Joint Commission meeting will enable us to explore and identify new areas for cooperation between our two countries.

Your Excellency,

5. Although trade between Malaysia and the Lao P.D.R is currently small, both sides have been making efforts to boost the level of the bilateral trade. It is for this purpose that Malaysia had organized no less than four trade and investment missions to the Lao P.D.R, the most recent having taken place in September 2006. It is noteworthy that interaction and collaboration between the business communities of Malaysia and Laos have in fact increased. Efforts have been made by them to promote trade and investment in both countries. Malaysia welcomes the presence of Lao businessmen in Malaysia. I am confident that closer networking and collaboration between businessmen will contribute towards stronger economic ties, and open up more market opportunities for both sides in both our countries.

6. I would suggest that the business community should take greater advantage of and avail themselves of the privileges provided under the ASEAN Integrated System of Preferences, otherwise known as the A.I.S.P. Since the inception of the A.I.S.P in 2002, Malaysia had provided for unilateral preferential treatment to Laos on 83 products. These include agriculture, wood and textile products. The privilege accorded under the A.I.S.P system provides for tariff free access. Yet, I must point out that Laos has yet to avail itself of this privilege. Laos has not exported to Malaysia any of the listed products and has thereby not benefited from the A.I.S.P scheme. Malaysia would like to encourage Laos to utilize the A.I.S.P facility to help boost the volume and value of trade between our countries.

7. I would like to take this opportunity to highlight also the fact that Malaysia is presently the sixth largest foreign investor in the Lao P.D.R, with investments valued at USD 83 million. Malaysia hopes to be able to explore further investment opportunities in Laos and improve our ranking as an investor in Laos. Malaysia will certainly continue to encourage its businessmen and entrepreneurs to tap the opportunities for any further investment in Laos. I hope that the Government of the Lao P.D.R will extend all possible facilities and privileges to Malaysian investors, to those that are already there in Laos as well as those who are planning to go into Laos.

8. In the area of capacity building and human resources development, I would like His Excellency Bouasone Bouphavanh to know that Malaysia has made it a commitment to assist other developing countries in these matters. We call it the Malaysian Technical Cooperation Programme or M.T.C.P. We in Malaysia do believe that the development of human resources is key in the quest for socio-economic progress and sustainable development. I am delighted to let His Excellency know that, over the years, about 576 Lao officials from various sectors have participated in and benefited from various M.T.C.P courses and training programmes in Malaysia. I am very happy to let him know that Malaysia will continue to provide technical assistance to Laos under the M.T.C.P.

Your Excellency,

9. There is a lot in common between Malaysia and Laos in terms of views that we share regarding regional and global issues. As members of ASEAN, we have an abiding interest to keep our region peaceful, stable and prosperous. We need to take a common position on the proliferation of nuclear weapons. We need to take a united position on international terrorism, just as much as we need to work closely together to prevent environmental degradation or the spread of infectious diseases. We must

work closely through ASEAN, not only to advance the collective interest of our immediate region but also to safeguard our respective national interests.

10. As I conclude, let me once again express the appreciation of the Government and people of Malaysia to Your Excellency for honouring us with your visit. You and members of your delegation are very welcomed in our country. We are happy that you have included Malaysia as one of the priority countries to be visited by you upon assuming your office as Prime Minister. This is indeed testimony to the close friendship and cooperation between our two countries and peoples.

Thank you.